

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

SARAH SIMS GARRETT, et al.,

Plaintiffs,

CASE No. 68-cv-32004

v.

HON. ELIZABETH A. STAFFORD  
United States Magistrate Judge

CITY OF HAMTRAMCK, a Municipal  
Corporation, et al.

Defendants.

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**STIPULATION REGARDING PARTIAL CONSENT JUDGMENT FOR  
TAX LEVY TO PAY CONSTRUCTION AND OTHER UNREIMBURSED  
COSTS RELATED TO REMEDIAL HOUSING AND TO CERTIFY  
TRANSCRIPT OF JUDGMENT**

The Parties, through their respective counsel, stipulate as follows:

1. Defendant Hamtramck has secured, through Wayne County, a grant through the federal Neighborhood Stabilization Fund-2 (“NSP-2”) a reimbursement grant of \$950,000 for the construction of three units of remedial housing;
2. As a grant condition, Defendant Hamtramck certified to Wayne County that it would request no further funding from Wayne County for the purpose of constructing the three final units of remedial housing;
3. Defendant Hamtramck is a financially-distressed community with limited funding for essential city services and must identify a funding source for project costs that are not covered by the above NSP-2 grant;
4. Defendant Hamtramck also needs to pay a deposit on the units of remedial housing in order to lock in pricing which is escalating monthly. Currently, Defendant Hamtramck does not have the funds to pay the required deposit and other related costs out of its operating general fund.
5. The Parties stipulate and agree that the levying of 1.5 mills on the city’s real property tax rolls will assist in offsetting the likely unreimbursed costs that the city will incur between now and the expected Summer 2023 property tax levy.

6. The Parties stipulate and agree that the 1.5 mill levy on the Summer 2023 property tax levy will yield approximately \$378,680 of funds for the Housing Development Fund.
7. The Parties stipulate and agree to the entry of partial judgment in the amount of \$378,680 which will be raised by a certified transcript of judgment for the Summer of 2023.
8. On November 22, 2022, the Hamtramck City Council passed the attached resolution (Exhibit 1) authorizing a partial settlement that included the imposition of up to 1.5 mills for the purpose of covering unreimbursed costs necessary to complete the final three units of remedial housing.

**So stipulated:**

/s/ Michael Barnhart  
**Michael Barnhart (P-10467)**  
**Attorney for Plaintiffs**

/s/ James P. Allen, Sr.  
**James P. Allen, Sr. (P-52885)**  
**Attorney for Defendants**

## EXHIBIT 1

**RESOLUTION 2022-150**

**RESOLUTION AUTHORIZING JUDGMENT LEVY OF UP TO ONE AND ONE HALF MILLS ON  
PROPERTY TAX ROLLS TO FUND EXPENSES ASSOCIATED WITH REMEDIAL MEASURES  
ORDERED IN *GARRET, ET. AL. V. HAMTRAMCK*.**

**WHEREAS**, the City of Hamtramck ("City") was sued in 1968 for violations of the Fair Housing Act; and

**WHEREAS**, City entered into a consent judgment more than three decades ago, agreeing to *inter alia* construct 200 units of remedial housing; and

**WHEREAS**, City has been ordered pursuant to federal statute to pay the attorneys fees of the plaintiffs and has done so for decades; and

**WHEREAS**, City has constructed 197 units of remedial housing of the required units of housing and completed those units prior to the State of Michigan's takeover of city government in 2013; and

**WHEREAS**, instead of building the 3 remaining units of remedial housing as it was ordered to do, the City, under the then-state emergency manager and the city manager she and the TAB hired, the City instead decided to re-assess the property in violation of several covenants to which it had previously agreed; and

**WHEREAS**, the ensuing years of undoing the damage done by the re-assessments forced the city to pay several hundred thousand dollars of attorneys' fees and especially those of the plaintiffs' which drained the Housing Development Fund; and

**WHEREAS**, the City will likely incur tens of thousands of dollars of soft costs associated with construction of the remaining three houses before its NSP-2 grant money becomes available for reimbursement by the County of Wayne; and

**WHEREAS**, the City wants to expedite the ordering of materials and construction to avoid further cost escalations while it waits for grant funds to be released; and

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Hamtramck, Wayne County, Michigan that:

1. Counsel for the city is authorized to enter into a stipulation that will allow a judgment levy of up to 1.5 mills for each tax bill until the dismissal of the case to pay for ongoing expenditures connected to the completion of the court-ordered remedial housing;
2. The City finance department shall prepare a budget for the funds raised by the judgment levy and submit same to the City Council at its first regular meeting of 2023 and quarterly reports of approved expenditures thereafter.

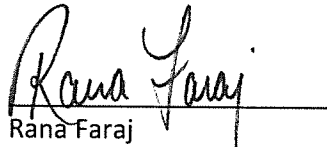
**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HAMTRAMCK, WAYNE COUNTY, MICHIGAN THIS 22<sup>nd</sup> DAY OF NOVEMBER 2022.**

AYES: Jaczkowski, Alsomiri, Choudhury

NAYS: Refai

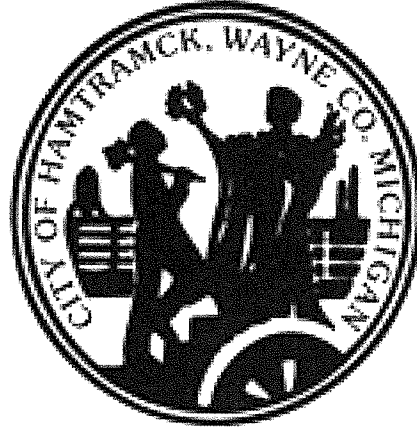
ABSENT: Hassan

ATTEST:



Rana Faraj

City Clerk



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FOR THE EASTERN DISTRICT OF MICHIGAN  
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HON. ELIZABETH A. STAFFORD  
United States Magistrate Judge

CITY OF HAMTRAMCK, a Municipal  
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Defendants.

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**ORDER REGARDING STIPULATION TO ENTER PARTIAL CONSENT  
JUDGMENT FOR TAX LEVY TO PAY CONSTRUCTION AND OTHER  
UNREIMBURSED COSTS RELATED TO REMEDIAL HOUSING AND TO  
CERTIFY TRANSCRIPT OF JUDGMENT**

This matter having come before this Honorable Court upon the Parties' Stipulation to Enter Partial Consent Judgment For Tax Levy To Pay Construction and Other Costs Related to Remedial Housing and to Certify Transcript of Judgment, the Court having duly considered said stipulation and being otherwise advised in the premises;

IT IS HEREBY ORDERED AND ADJUDGED that Defendant City of Hamtramck is directed to deposit \$378,680 (1.5 mils) into the Court-established Housing Development Fund to pay construction and other unreimbursed costs related to the completion of the final three units of remedial housing.

IT IS FURTHER ORDERED AND ADJUDGED that a certified judgment in the amount of \$378,680 shall be entered against Defendant City of Hamtramck; and

IT IS FURTHER ORDERED AND ADJUDGED that a judgment of 376,680 is certified for placement on the next tax rolls by the assessing officers of Defendant City of Hamtramck pursuant to MCL 600.6093(1).

SO ORDERED.

Dated: December 14, 2022

s/Elizabeth A. Stafford  
Hon. Elizabeth A. Stafford  
United States Magistrate Judge

NOTICE OF ENTRY WAIVED.